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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

Proceeding	91205376
Party	Plaintiff Financial Industry Regulatory Authority, Inc.
Correspondence Address	CARLA B OAKLEY MORGAN LEWIS & BOCKIUS LLP ONE MARKET, SPEAR STREET TOWER SAN FRANCISCO, CA 94105 UNITED STATES coakley@morganlewis.com, patricia.marquez@morganlewis.com, sftrademarks@morganlewis.com
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Filer's Name	Carla B. Oakley
Filer's e-mail	coakley@morganlewis.com, jrubel@morganlewis.com, sftrademarks@morganlewis.com
Signature	/CBO/
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IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
BEFORE THE TRADEMARK TRIAL AND APPEAL BOARD

FINANCIAL INDUSTRY REGULATORY AUTHORITY, INC. Opposer / Counterclaim Respondent, v. PROCTORU, INC. Applicant / Counterclaim Petitioner.	Opposition No. 91205376 Mark: PROCTORU

MOTION TO DISMISS APPLICANT'S COUNTERCLAIM

Pursuant to Federal Rule of Civil Procedure 12(b)(6) and TBMP § 503, Opposer / Counterclaim Respondent Financial Industry Regulatory Authority, Inc. ("FINRA") hereby moves to dismiss the counterclaim filed in this proceeding by Applicant / Counterclaim Petitioner ProctorU, Inc. ("Applicant") for failure to state a claim.

On May 30, 2012, FINRA filed a Notice of Opposition in which it alleged a likelihood of confusion between FINRA's well-established PROCTOR mark, which is the subject of incontestable Registration Nos. 1,768,263, 1,766,565, 1,920,891, and 1,797,000 (the "PROCTOR® Registrations") and which FINRA also uses for a variety of other products and services not specifically mentioned in its registrations (including providing administration and delivery of computer-based testing and training; providing exams and training sessions; and providing testing centers), and Applicant's proposed mark PROCTORU for "online educational testing services in the field of distant learning, namely, administering standardized tests" in International Class 41.

On August 3, 2012, Applicant filed an Answer to FINRA's Notice of Opposition and a Counterclaim for Cancellation. While not entirely clear, the Counterclaim read in its entirety

seeks to partially cancel FINRA's incontestable PROCTOR® Registrations. The Counterclaim alleges that because FINRA's work involves the development of rules and regulations and designing and operating services and facilities used by investment brokerage firms and their employees, "the scope of the services covered by their [sic] marks should be limited ***to the below services***[1] in connection with registration of securities markets, brokerage firms, and individual brokers." Dkt. 6 at 8-10 (emphasis added). Applicant then alleges that FINRA abandoned use of the PROCTOR® mark "beyond brokerage firms and individual brokers." *Id*.

As to each of FINRA's PROCTOR® Registrations, including registrations for goods in classes 9 and 16, Applicant alleges: "Extension of the services beyond FINRA's admittedly limited scope of services for securities markets, brokerage firms and individual brokers is overly broad and should be cancelled for services other than training, educational testing and certification of financial professionals and employment skills and abilities for brokerage firms and individual brokers." Dkt. 6 at ¶¶ 3-5.

Although the Counterclaim does not specify the grounds under which Applicant seeks to cancel FINRA's marks, the substance of the Counterclaim suggests that Applicant moves to partially cancel FINRA's marks under Section 18 of the Lanham Act, which gives the Board the equitable power to cancel registrations in whole or in part, "restrict the goods or services identified in an application or registration," or to "otherwise restrict or rectify . . . the registration of a registered mark." *See* 15 U.S.C. § 1068; Trademark Rule 2.133(b).[2] As discussed below, the Counterclaim is fatally defective and the defect cannot be cured.

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[1] Three of the PROCTOR® Registrations pertain to goods, not services.

[2] The counterclaim challenging FINRA's incontestable PROCTOR® Registrations cannot be based on Section 14 of the Lanham Act because Applicant does not and cannot allege that FINRA's well-established PROCTOR® mark is generic for the goods or services identified in

In addition to proving non-use or abandonment of the mark in connection with the relevant goods or services, a party seeking to restrict a registration to certain channels of trade or classes of purchasers under Section 18 must plead and ultimately prove that any likelihood of confusion would be avoided by such a restriction. *Eurostar, Inc. v. "Euro-Star" Reitmoden GmbH & Co. KG, Spezialfabrik Fur Reitbekleidung*, 1994 TTAB LEXIS 29; 34 U.S.P.Q.2D 1266 (TTAB 1994) (granting motion to dismiss where petitioner failed to allege that likelihood of confusion would be avoided if the registration was restricted as sought); *see also IdeasOne, Inc. v. Nationwide Better Health, Inc.*, 2009 TTAB LEXIS 86, *4 (TTAB 2009). The party seeking a restriction also must specify clearly the proposed restriction. *IdeasOne*, 2009 TTAB LEXIS 86, *4. Here, Applicant fails to identify sufficiently the restriction it is seeking, and also fails to allege facts to establish that the limitation it seeks on FINRA's marks would avoid a likelihood of confusion between the parties' respective marks.

Applicant cannot cure the defects in its claim because it cannot reasonably allege that its proposed limitation would avoid likelihood of confusion between the parties' marks. Applicant has requested that the PROCTOR® Registrations be limited in some unspecified way to services that are offered for securities markets, brokerage firms and individual brokers (notwithstanding the fact that three of the PROCTOR® Registrations are for goods, not services). Dkt. 6 at 8-10. The services identified in Applicant's application, however, "online educational testing services in the field of distant learning, namely, administering standardized tests," do not exclude the field of financial services, securities markets, brokerage firms or individual brokers, or the like. Because there are no limitations as to channels of trade or classes of purchasers in the recitation of services in Applicant's application, the Board must presume that Applicant's administration of

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the registrations, or that FINRA has abandoned its PROCTOR® mark with respect to all the goods and services identified in its registrations. *See* 15 U.S.C. § 1064.

standardized test services move in all channels of trade normal for those services, and that they are available to all classes of purchasers for those services, including consumers in the financial services industry, consumers involved in investments and the securities markets, brokerage and investment firms, and individual brokers or investment advisors. *See In re Linkvest S.A.*, 24 U.S.P.Q.2D 1716, 1716 (TTAB 1992). Thus, even with a limitation of the PROCTOR® Registrations along the lines suggested by Applicant, both parties' extremely similar marks would cover goods and services related to testing of individuals involved in the financial services industry, with the securities markets, and/or with brokerage firms or individual brokers, which would not eliminate the likelihood of confusion.

Further, even if the services in Applicant's application explicitly excluded the fields of financial services, securities markets, brokerage firms, individual brokers and investment advisors, there would still be a likelihood of confusion between the parties' marks due to the extreme similarity of the marks and the closely-related nature of the testing products and services provided under those marks. *See Penguin Books Ltd. v. Rainer Eberhard*, 1998 TTAB LEXIS 123, 48 U.S.P.Q.2D 1280, at *20-21 (TTAB 1998) (rejecting applicant's cancellation claim attempting to carve out narrow exception for his goods in opposer's registration because the proposed restriction would still cover related goods and would not avoid likelihood of confusion). This is particularly true given the broad scope of FINRA's long-term use of its PROCTOR Mark, including use that goes beyond the goods and services identified in its PROCTOR® Registrations, as alleged in its Notice of Opposition.

Because Applicant failed to allege and cannot allege that limitations on FINRA's PROCTOR® Registrations would eliminate the likelihood of confusion, Applicant's

counterclaim should be dismissed for failure to state a claim upon which relief can be granted, with prejudice. *Eurostar*, 1994 TTAB LEXIS 29, at *22-23.

CONCLUSION

For the foregoing reasons, FINRA respectfully requests that the Board dismiss Applicant's Counterclaim with prejudice.

Dated: September 6, 2012

Respectfully submitted,

By: _/s/ Carla B. Oakley_____

Carla B. Oakley
Jordana S. Rubel
Morgan, Lewis & Bockius LLP
One Market, Spear Street Tower
San Francisco, CA 94105
Tel: (415) 442-1301
Fax: (415) 442-1001

Attorneys for Opposer / Counterclaim Respondent
Financial Industry Regulatory Authority, Inc.

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing Motion to Dismiss Applicant's Counterclaim has been sent via first class mail, postage prepaid, on this 6th day of September 2012 to:

Howard M. Gitten
Edwards Angell Palmer & Dodge LLP
PO Box 130
New York, NY 10150-0130

/s/ Jordana S. Rubel
Jordana S. Rubel